

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Joint Application of California-American Water Company (U-210-W), a California corporation, RWE Aktiengesellschaft, a corporation organized under the laws of the Federal Republic of Germany, Thames Water Aqua Holdings GmbH, a corporation organized under the laws of the Federal Republic of Germany, Thames Water Plc, a corporation organized under the laws of the United Kingdom and Wales, and Apollo Acquisition Company, a Delaware Corporation, for an order Authorizing Apollo Acquisition Company to merge with and into American Water Works Company, Inc. resulting in a change of control of California-American Water Company, and for such related relief as may be necessary to effectuate such transaction.

Application 02-01-036
(Filed January 28, 2002)

**ADMINISTRATIVE LAW JUDGE'S RULING SETTING PREHEARING
CONFERENCE (PHC) FOR 2:30 P.M. ON APRIL 4, 2002 AND CALLING FOR
PHC STATEMENTS FILED BY MARCH 27, 2002**

On January 28, 2002, joint applicants California-American Water Company (Cal-Am), Thames Water Aqua Holdings GmbH (Thames Holdings), on behalf of itself and its parent holding company RWE Aktiengesellschaft (RWE), Thames Water Plc (Thames) and Apollo Acquisition Company (Acquisition Company) filed an application with the Commission. The application seeks Commission authorization pursuant to Pub. Util. Code § 854 for RWE to acquire Cal-Am's

parent corporation, American Water Works Company, Inc. (AWW) and to merge AWW with Acquisition Company, thereby acquiring and transferring control of Cal-Am to RWE's subsidiary, Thames Holdings. The Commission has received protests from the Commission's Office of Ratepayer Advocates, the City of Thousand Oaks, and Montara Sanitary District.

1. PHC

This ruling sets a PHC for Thursday, April 4, 2002, commencing at 2:30 p.m., in the Commission's Courtroom, 505 Van Ness Avenue, San Francisco, California. A PHC is called to develop a service list, determine the position of the parties and issues, and to address other procedural matters.

2. PHC Statements

Pursuant to Rule 6.2, of the Commission's Rules of Practice and Procedure (Rules), applicants and other parties shall file PHC statements no later than March 27, 2002. Parties should serve their statements on the undersigned Administrative Law Judge (ALJ) as well as the attached temporary service list. Parties should also bring at least 10 additional copies of their PHC statements to the PHC for distribution.

Resolution ALJ 176-3083, preliminarily categorized this proceeding as ratesetting and stated that hearings are not necessary. Pursuant to Rule 6(a)(3), Assigned Commissioner Duque shall rule on the category, the need for hearing, and scoping memo at or after the PHC.

The PHC statements shall address the following issues:

- Categorization;
- The need for hearing;
- Issues to be considered;
- Proposed Schedule;
- Discovery Issues;

- Other topics as the interests of justice and efficient case management require.

Additionally, applicants are directed, and others may, include in their PHC statement a proposed schedule for public participation hearings, in the event the Commission decides to hold them. Applicants should confer with protesters and others in developing their proposal.

3. Oral Argument and Commissioner Presence

Rule 8(c) provides that parties in ratesetting proceedings may request the presence of the assigned Commissioner at a formal hearing or specific portion thereof. Rule 8(d) provides that parties in ratesetting proceedings have the right to make a final oral argument before the Commission, if the party so requests within the time and in the manner specified in the scoping memo or later ruling in the proceeding.

Parties should address in their PHC statements, and be prepared to discuss at the PHC, the specific procedures that will be followed for requesting the assigned Commissioner's presence (in addition to those set forth in Rule 8(c)) and for requesting oral argument.

4. Ex Parte Communications

Rule 7(c) (f) and (g) apply to this proceeding.

5 Service List

This ruling is being served on a temporary service list consisting of the service list attached to the application, protestants, and the service list of Application 00-05-015.

To be included on the official service list established at the PHC, parties may enter an appearance at the PHC.

IT IS RULED that:

1. A prehearing conference (PHC) will be held in this application on Thursday, April 4, 2002 at 2:30 p.m.
2. Interested persons may file PHC statements no later than Wednesday, March 27, 2002, as set forth in Section 2 and 3 of the ruling. The PHC statements should be served on the undersigned Administrative Law Judge and as set forth in Section 2.
3. This ruling shall be served on the temporary service list of this proceeding, as well as the service list of Application 00-05-015. These two service lists are attached hereto as Attachment A.

Dated March 13, 2002, at San Francisco, California.

/s/ JANET A. ECONOME

Janet A. Econome
Administrative Law Judge

ATTACHMENT A

SERVICE LIST FOR A.02-01-036

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(END OF ATTACHMENT A)

CERTIFICATE OF SERVICE

I certify that I have by mail this day served a true copy of the original attached Administrative Law Judge's Ruling Setting Prehearing Conference (PHC) for 2:30 p.m. on April 4, 2002 and Calling for PHC Statements Filed by March 27, 2002 on all parties of record in this proceeding or their attorneys of record.

Dated March 13, 2002, at San Francisco, California.

/s/ JACQUELINE GORZUCH
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N O T I C E

Parties should notify the Process Office, Public Utilities Commission, 505 Van Ness Avenue, Room 2000, San Francisco, CA 94102, of any change of address to insure that they continue to receive documents. You must indicate the proceeding number on the service list on which your name appears.

The Commission's policy is to schedule hearings (meetings, workshops, etc.) in locations that are accessible to people with disabilities. To verify that a particular location is accessible, call: Calendar Clerk (415) 703-1203.

If specialized accommodations for the disabled are needed, e.g., sign language interpreters, those making the arrangements must call the Public Advisor at (415) 703-2074, TTY 1-866-836-7825 or (415) 703-5282 at least three working days in advance of the event.